





C-4

August 31, 1995

Via Facsimile
Mr. Patrick Sharpe, Compliance Specialist
Federal Trade Commission
600 Pennsylvania Avenue N.W.
Room 321
Washington, DC 20680

Re: Hart Scott Rodino Premerger Notification Exemption

## Dear Mr. Sharpe:

This letter will confirm our telephone conversations in which you agreed with our understanding that the following transaction is exempt from notification under the Hart Scott Rodino Antitrust Improvements Act of 1976:

Company A, which owns and manages health facilities, proposes acquiring, pursuant to an asset purchase agreement, a hospital operated by Authority, a a non-corporate county hospital authority created pursuant to state legislation authorizing "for each county and municipal corporation of the state a public body corporate and politic to be known as the 'hospital authority'...consist[ing] of a board...appointed by the...county or municipal corporation." The real estate and improvements to the land are owned by the County and leased to the Authority. The remaining assets, such as equipment and accounts receivable, are owned by the Authority.

Based on the above facts, we understand the acquisition is exempt from notification under 15 U.S.C. § 18(a)(c)(4) as a transfer from a state political subdivision, and/or under 16 C.F.R. § 801.1(a) because the hospital authority would not be considered a person within the meaning of the Hart-Scott-Rodino Antitrust Improvements Act.<sup>1</sup>

<sup>1</sup>For purposes of this letter, we assume the size of the parties and size of the transaction tests would be satisfied if Authority were considered a person for Hart-Scott-Rodino purposes.

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Please let me know immediately if I misunderstood your advice that the above-described transaction is exempt from Hart-Scott-Rodino reporting. As always, I appreciate your help.

